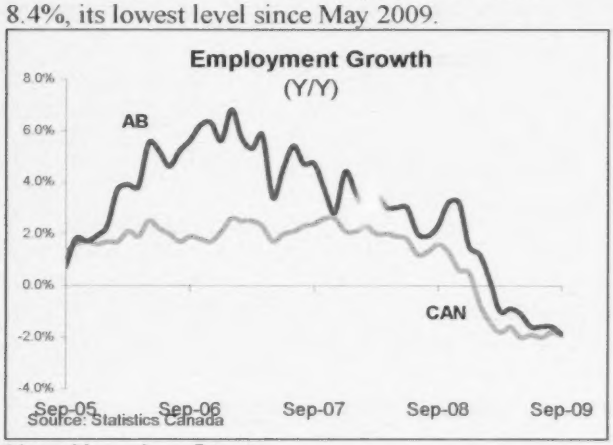
Labour Force Survey

First decline in unemployment in nine months...

In September, Alberta's employment increased by 3,000 (seasonally adjusted) jobs, after three consecutive months of job losses. This gain combined with a modest decline in the labour force brought down the unemployment rate from 7.4% in August to 7.1% in September, its first monthly decline since December 2008. Alberta continues to have the third lowest unemployment rate among provinces, behind Saskatchewan (4.6%) and Manitoba (5.3%).

Nationally, employment grew by 30,600 due to the largest increase in full-time work since May of 2006. This increase reduced the unemployment rate to 8.4%, its lowest level since May 2009.



New Housing Starts

Rebound continues in September...

New housing starts in Alberta were up 12.6% from a revised 19,900 units in August to 22,400 units (seasonally adjusted at annual rate) units in September. With recovery in housing starts since March, year-over-year decline is slowing, down 7.1% from September 2008, the smallest year-over-year decline recorded in 18 months.

Housing starts in the Calgary region jumped 41.9% from last September, with the number of single-detached starts doubling. At the same time, in the Edmonton area, preliminary numbers show housing starts were up 63.3% with single-detached starts recording their best month since October 2007.

Canadian Dollar (US¢/CS)	
October 9, 2009	95.93
October 2, 2009	92.21
2009-10 YTD	88.78
WTI Oil US$/bbl	
October 8, 2009	$71.69
October 1, 2009	$70.82
2009-10 YTD	$64.34
Nymex Natural Gas CS/MMBtu *	
Near-month Contract	
October 9, 2009	$5.20
October 2, 2009	$4.97

* Estimate based on Nymex Futures Market Price

Building Permits

Value of building permits increases...

The value of building permits in Alberta grew 3.2% in August to just over $796 million (seasonally adjusted). This increase was the first since May, and was due to a 27.4% increase in residential permits which offset the 26.6% drop in the value of non-residental permits.

Nationally, the value of building permits increased by 7.2% from July, due primarily to the resolution of the civic workers strike in Toronto. Excluding Toronto, the national increase was 0.8%.

International Merchandise Trade

High Canadian dollar appears to be affecting trade balance...

Canada's merchandise exports declined to $29.2 billion in August, down 5.1%. This retracted all of the 3.3% gain recorded in July and was primarily due to lower export volumes, in particular of machinery and equipment and agriculture products. The decline in exports also coincided with a 2.8% fall in imports, leading Canada's trade deficit to widen to $2.0 billion in August, up from $1.3 billion in July.

Canadian Dollar

Flys to higest level in a year...

The strong employment news coupled with firming commodity prices and general weakness of the US dollar pushed the loonie to its highest level in more than a year. This week, the Bank of Canada also restated its concern that a high dollar could hinder Canada's economic recovery.

Alberta

CURRENT ECONOMIC INDICATORS

Overall Economy	2007	2008	2009YTD*	Apr	May	Jun	Jul	Aug	Sep
Real GDP (in 2002 $billions)	187.5	187.0	--	--	--	--	--	--	--
% change	3.1	-0.2	--	--	--	--	--	--	--
Nominal GDP ($ billions)	258.9	291.7	--	--	--	--	--	--	--
% change	8.1	12.6	--	--	--	--	--	--	--
Population[1] (000's) (level)	3,513	3,596	3,688	3,666		--	3,688	--	--
% change	2.7	2.4	2.6	2.8	--	--	2.6	--	--
Net Interprovincial Migraton[1] (level)	33,809	15,317	23,006	7,144	--	--	4,737	--	--
Net International Migration[1] (level)	16,372	20,039	20,074	4,416	--	--	6,089	--	--
Net Non-permanent Residents[1] (level)	14,105	18,536	19,058	4,380		--	2,594	--	--
Labour Market									
Employment (000's) NEW!	1,959	2,013	1,993	1,993	1,994	1,990	1,986	1,979	1,982
% change	4.7	2.8	-0.9	-0.9	-1.1	-1.6	-1.6	-1.6	-1.9
Unemployment Rate (%) NEW!	3.5	3.6	6.3	6.0	6.6	6.8	7.2	7.4	7.1
Average Hourly Wage Rate NEW!	6.0	5.7	4.9	4.3	5.0	6.1	4.6	5.9	3.7
Average Weekly Earnings[2]	5.8	6.0	4.4	2.1	4.9	3.4	4.0	--	--
Labour Income[3]	10.5	8.7	3.1	1.9	2.4	1.2	--	--	--
Price Indices									
Consumer Price Index	5.0	3.1	-0.3	-0.7	-0.7	-1.6	-1.5	-1.7	--
Excluding food and energy	5.0	2.1	1.5	1.1	1.7	1.6	1.4	1.3	--
Non-Res. Const. Cost Index[4] (quarterly)	17.3	13.2	-6.3	--	--	-11.3	--	--	--
Farm Product Price Index	14.3	11.1	-8.2	-4.4	-8.6	-16.2	-16.2	--	--
Crops	41.4	26.3	-22.8	-22.2	-25.5	-29.0	-26.5	--	--
Livestock	0.7	2.1	5.3	12.6	0.6	-5.6	-9.0	--	--
Household Sector									
Housing Starts (SAAR, 000's) NEW!	48.1	29.0	16.7	14.2	14.2	20.0	19.1	19.9	22.4
% change NEW!	-2.1	-39.7	-46.8	-53.3	-55.6	-12.7	-32.7	-14.6	-7.1
New Housing Price Index	22.5	0.7	-9.7	-10.7	-9.8	-9.8	-9.3	--	--
Edmonton	32.1	1.0	-11.7	-12.5	-11.7	-11.7	-11.1	--	--
Calgary	16.2	0.6	-7.7	-8.8	-7.9	-8.0	-7.3	--	--
MLS Average Resale Prices	24.3	-1.4	-6.2	-6.8	-5.8	-4.6	-2.4	0.2	--
Edmonton	34.3	-2.0	-5.7	-7.4	-4.2	-3.8	-3.1	-3.3	--
Calgary	18.7	-2.9	-8.1	-10.1	-8.7	-6.3	-5.2	-0.4	--
Retail Sales	9.3	-0.1	-10.0	-10.1	-11.0	-7.2	-8.3	--	--
New Motor Vehicle Sales	3.3	-7.3	-26.0	-24.4	-27.8	-22.2	-18.6	--	--
Business Sector									
Public and Private Investment[5]	9.1	3.6	-17.2	--	--	--	--	--	--
Mining and oil and gas[5]	0.3	-1.4	-28.2	--	--	--	--	--	--
Rigs Drilling	-35.2	-2.1	-50.7	-42.0	-39.2	-56.3	-66.2	-62.7	-54.1
Goods Exports (customs based) NEW!	5.3	34.3	-39.6	-43.6	-50.2	-37.1	-46.7	-42.9	--
Energy NEW!	4.4	42.5	-45.6	-52.8	-58.7	-40.9	-51.8	-45.6	--
Agriculture NEW!	9.8	27.8	0.5	9.8	-13.7	4.4	-4.1	-7.5	--
Total Farm Cash Receipts (quarterly)	11.9	15.2	-3.5	--	--	-10.3	--	--	--
Manufacturing Shipments	1.1	7.0	-22.9	-24.3	-27.4	-27.2	-33.4	--	--
Wholesale Trade	5.0	10.9	-10.4	-12.2	-20.9	-11.6	-17.2	--	--
Building Permits NEW!	13.4	-16.5	-34.8	-40.9	-18.5	-25.2	-29.8	-8.3	--
Residential NEW!	10.7	-31.5	-35.9	-44.2	-49.1	-17.8	-9.5	39.3	--
Non-residential NEW!	17.1	3.7	-33.8	-37.3	13.0	-31.0	-46.1	-48.5	--

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* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).2009 YTD population numbers are for the census year of 2009

[2] The average weekly earnings series was extensively revised on March 31, 2009 and is no longer comparable with numbers in previous Bulletins

[3] Total income earning in Alberta including wages and salaries, and supplementary income.

[4] Average of Calgary and Edmonton.

[5] 2009 total based on revised investment intentions, 2008 preliminary actuals, and 2007 actuals; 2009 mining and oil and gas based on initial investment intentions.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association) and Rigs Drilling (Canadian Association of Oilwell Drilling Contractors).

Alberta

CURRENT ECONOMIC INDICATORS, BY PROVINCE

	Canada	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Conference Board Forecast (Summer 2009)											
Real GDP Growth											
2008 (actuals, Statistics Canada)	***0.5%***	-0.1%	0.9%	2.0%	0.0%	1.0%	-0.4%	2.4%	4.4%	**-0.2%**	-0.3%
2009	***-2.1%***	-3.4%	0.8%	0.3%	0.9%	-0.7%	-3.0%	0.8%	-2.7%	**-2.7%**	-2.5%
2010	***2.8%***	0.0%	2.2%	1.2%	2.8%	1.8%	3.1%	1.8%	3.5%	**3.3%**	3.4%
Population (As of July 1, 2009)											
Population	**33,739,859**	508,925	140,985	938,183	749,468	7,828,879	13,069,182	1,221,964	1,030,129	**3,687,662**	4,455,207
Annual Growth Rate[a]	***1.2%***	0.5%	1.1%	0.2%	0.3%	1.0%	1.0%	1.3%	1.6%	**2.6%**	1.6%
Net Interprovincial Migration											
2008 Census Year (July 1, 2007 to June 30, 2008)		-528	-291	-1,794	-908	-11,682	-14,750	-3,703	4,171	**15,317**	14,643
2009 Census Year (July 1, 2008 to June 30, 2009)		2,332	-559	-1,255	-537	-10,666	-18,738	-1,541	4,108	**23,006**	4,673
Employment											
Level Change (000s)[b] NEW!	**-328.9**	0.2	-0.7	-4.8	1.4	-54.9	-59.4	2.0	-0.7	**-39.1**	-43.4
Percent Change[b] NEW!	***-1.9%***	0.1%	-1.0%	-1.0%	0.4%	-1.5%	-2.7%	0.3%	-0.1%	**-1.9%**	-1.9%
Unemployment Rate, 2009 avg (SA) NEW!	***8.2***	15.3	12.4	9.1	9.0	8.5	9.0	5.0	4.7	**6.3**	7.4
Participation Rate, 2009 avg (SA) NEW!	***67.3***	59.2	67.8	64.6	64.7	65.4	67.4	69.4	70.2	**74.5**	65.9
Average Weekly Earnings											
July 2009	**824.00**	805.49	699.36	733.51	754.12	775.11	845.17	780.26	803.90	**942.62**	799.36
Y/Y Percent Increase[c]	***1.6%***	6.0%	4.2%	1.8%	2.0%	0.7%	1.1%	4.3%	2.4%	**4.0%**	1.9%
2009 Wage Settlements (Jan-Aug)										**2.0%**	
CPI Inflation											
August Annual	**-0.8%**	-0.7%	-0.8%	-0.8%	-0.2%	0.4%	-1.0%	-0.4%	0.8%	**-1.7%**	-1.1%
Excluding Shelter	**-0.2%**	0.3%	1.4%	-0.1%	0.2%	0.4%	-0.7%	-0.8%	0.0%	**0.1%**	-0.3%
Housing Starts (000s)											
SAAR September 2009 NEW!	**150.1**	2.6	0.7	5.0	3.1	41.0	50.5	4.2	4.4	**22.4**	16.2
Retail Sales											
Percent Change[d]	**-3.9%**	3.2%	-1.9%	-0.5%	-2.9%	-1.0%	-4.2%	1.0%	-3.5%	**-8.3%**	-6.6%
2009 YTD Retail Sales Growth	**-5.3%**	1.7%	-1.8%	-2.0%	-2.2%	-2.9%	-5.0%	-2.9%	-3.3%	**-10.0%**	-8.7%
Manufacturing Shipments											
Percent Change[d]	**-21.9%**	-35.7%	-14.2%	-22.5%	-30.4%	-15.4%	-21.3%	-18.8%	-23.2%	**-33.4%**	-20.7%

a. Over the past 12 months
b. September 2009 Y/Y change, unadjusted for seasonal effects
c. Updated to July 2009
d. July 2009 Y/Y change, unadjusted for seasonal effects
SA-Seasonally Adjusted, SAAR-Seasonally Adjusted Annual Rate
Source: Statistics Canada, Canada Mortgage and Housing Corporation and Conference Board of Canada

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